

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Pursuant to the authority of 2011 Iowa Code Supplement section 15.106A(1)“m,” the Economic Development Authority hereby amends Chapter 1, “Organization,” Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXV, No. 4, page 285, on August 22, 2012, as **ARC 0279C**.

The amendments herein describe the manner in which the Authority will structure and govern itself so that it may efficiently carry out its duties and pursue its mission. The amendments to Chapter 1 reflect the organizational changes directed by the Legislature in 2011 Iowa Acts, chapter 118. The amendments include changes to the mission of the Authority, the composition and meetings of the Board, and the structure of the Authority.

No public comments on these amendments were received during the notice and comment period.

There are no substantive changes from the amendments published under Notice of Intended Action. However, where appropriate, citations to the 2011 Iowa Code Supplement and to 2012 Iowa Acts as published in the Notice have been converted to citations to the soon-to-be-published 2013 Code of Iowa.

The Economic Development Authority Board adopted these amendments on October 19, 2012, at the Board’s monthly meeting.

After analysis and review of this rule making, no negative impact on jobs has been found.

These amendments are intended to implement 2011 Iowa Acts, chapter 118, and Iowa Code chapter 15.

These amendments will become effective December 19, 2012, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

The following amendments are adopted.

ITEM 1. Amend rule 261—1.1(15) as follows:

261—1.1(15) Mission History and mission. The Iowa department of economic development was established in 1986 pursuant to Iowa Code chapter 15. The authority delegated to the department had previously been delegated to the Iowa development commission and the office for planning and programming. In 2011, the general assembly reorganized the delivery of economic development services to the state of Iowa by creating a formal collaboration between the public and private sectors. As part of this reorganization, the department was eliminated and the economic development authority was created as the successor entity to the department. All existing duties, responsibilities, and obligations of the former department are assumed by the authority.

The mission of the ~~Iowa department of economic development authority~~ is to ~~continually improve the economic well-being of all Iowans~~ foster the economic vitality of the state by working in focused partnerships with businesses, entrepreneurs, communities and educational entities. The ~~department’s~~ authority’s primary responsibilities are in the areas of finance, marketing, local government and service coordination, exporting, tourism, job training and entrepreneurial assistance, and small business.

ITEM 2. Amend rule 261—1.2(15) as follows:

261—1.2(15) Definitions. As used in these rules, unless the context otherwise requires:

“Authority” means the economic development authority created in Iowa Code section 15.105.

“Authority’s Web site” means the information and related content found at <http://www.iowaeconomicdevelopment.com/> and may include content at affiliated sites whose content is integrated with that site, including <http://www.traveliowa.com/>.

“Board” or “IDED board” means the Iowa members of the economic development board created by Iowa Code chapter 15 authority appointed by the governor and in whom the powers of the authority are vested pursuant to Iowa Code section 15.105.

“Committee” means a committee established by the board and includes any standing committees established by rule or ad hoc committees created as necessary.

“Corporation” or “IIC” means the Iowa innovation corporation created pursuant to Iowa Code section 15.107.

“Department” or “IDED” means the Iowa department of economic development authorized by Iowa Code chapter 15.

“Director” means the director of the Iowa department of economic development authority or the director’s designee.

ITEM 3. Rescind rule 261—1.3(15) and adopt the following new rule in lieu thereof:

261—1.3(15) Economic development authority board.

1.3(1) Composition.

a. The authority’s powers are vested in a board composed of 11 voting members appointed by the governor. These 11 members include 2 members from each of the four United States congressional districts in the state and 3 members selected at large. In addition, the appointed members represent certain industry sectors and have certain business expertise as described in Iowa Code section 15.105(1)“a”(2).

b. The board also includes 4 ex officio, nonvoting legislative members and 3 ex officio, nonvoting members from institutions of higher education in the state as described in Iowa Code section 15.105(1)“b” and “c.”

1.3(2) Terms. Members of the board are appointed for staggered terms of four years beginning and ending as provided in Iowa Code section 69.19. A person appointed to fill a vacancy serves only for the unexpired portion of the term. A member is eligible for reappointment. A member of the board may be removed from office by the governor for misfeasance, malfeasance, or willful neglect of duty or other just cause, after notice and hearing, unless the notice and hearing is expressly waived in writing. Members of the board cannot serve as directors of the corporation.

1.3(3) Quorum and voting requirements. Seven or more voting members of the board constitute a quorum. The affirmative vote of a majority of the quorum is necessary for any action taken by the authority’s board members.

1.3(4) Board officers. Members of the board elect a chairperson and vice chairperson annually and may elect other officers as and when the members of the board determine. The director, with the assistance of authority staff, serves as secretary to the authority.

1.3(5) Meetings.

a. Meetings of the authority are held at the call of the chairperson or when two members of the board request a meeting. The board generally meets monthly at the authority’s offices located at 200 East Grand Avenue in Des Moines, Iowa. By notice of the regularly published meeting agendas, the board and its committees may hold regular or special meetings at other locations within the state. Meeting agendas are available on the authority’s Web site.

b. Meetings of the board and any committee it may establish are conducted in accordance with the provisions of Iowa Code chapter 21. Any person may attend and observe the proceedings of the board and committee meetings except for those portions of the meetings conducted in closed session pursuant to Iowa Code section 21.5. Persons observing may use cameras or recording devices during the meeting so long as the use of such devices does not interfere with the proceedings. The chairperson may order any person to discontinue the use of such a device if the chairperson believes it is causing an interference with the proceedings. The chairperson may have any person excluded who fails to comply with such an order. The chairperson may also exclude any person generally causing a disruption of the proceedings.

1.3(6) Functions. The board will perform any duty required of it by law and may perform any other function authorized under the authority’s general powers under Iowa Code chapter 15.

1.3(7) Committees.

a. A due diligence committee is established to assist the board in making awards of incentives and assistance under the authority’s programs.

(1) The due diligence committee is an advisory body comprised of voting members of the board who are selected annually by the voting members of the board. The membership and size of the committee as well as the terms of committee members will be established annually by the board.

(2) The members of the due diligence committee will elect a member to serve as chairperson. The chairperson may appoint members of the due diligence committee to serve on a due diligence subcommittee if necessary. Such a subcommittee is advisory only and may perform such duties as may be assigned by the chairperson and members of the due diligence committee.

(3) The duties of the due diligence committee may include reviewing applications for financial assistance, conducting a thorough review of proposed projects, making recommendations to the board regarding the size and conditions of awards, and any other duty assigned by the board in relation to the programs administered by the authority.

(4) A majority of committee members constitutes a quorum. Nonvoting, ex officio members of the board may be appointed by the chairperson of the due diligence committee to serve on the due diligence committee as nonvoting, ex officio members.

b. A technology commercialization committee is established to assist the board in making awards of incentives and assistance under those programs that relate to innovation, commercialization, and early-stage industries including those programs that focus on information technology, advanced manufacturing, and biosciences.

(1) The technology commercialization committee is an advisory body comprised of persons selected annually by the voting members of the board. The membership and size of the committee as well as the terms of committee members will be established annually by the board. At least one member of the board shall serve on the technology commercialization committee.

(2) The members of the technology commercialization committee will elect a member to serve as chairperson. The chairperson may appoint members of the technology commercialization committee to serve on a technology commercialization subcommittee if necessary. Such a subcommittee is advisory only and may perform such duties as may be assigned by the chairperson and members of the technology commercialization committee.

(3) The duties of the technology commercialization committee may include reviewing applications for financial assistance, conducting a thorough review of proposed projects, making recommendations to the board regarding the size and conditions of awards, and any other duty assigned by the board in relation to the programs administered by the authority to the extent such programs relate to the areas and industry sectors described in this paragraph.

(4) An organization designated by the authority, composed of members from both the public and private sectors and composed of subunits or subcommittees in the areas of already identified bioscience platforms, education and workforce development, commercialization, communication, policy and governance, and finance, will provide funding recommendations to the technology commercialization committee.

(5) A majority of committee members constitutes a quorum. Nonvoting, ex officio members of the board may be appointed by the chairperson of the technology commercialization committee to serve on the technology commercialization committee as nonvoting, ex officio members.

c. A finance committee is established to assist the board in the financial management of the authority and its programs.

(1) The finance committee is an advisory body comprised of voting members of the board who are selected annually by the voting members of the board. The membership and size of the committee as well as the terms of committee members will be established annually by the board.

(2) The members of the finance committee will elect a member to serve as chairperson. The duties of the finance committee may include meeting periodically with authority staff to review the authority's regularly maintained financial records and other financial information as may be requested by the board.

(3) The finance committee may make recommendations to the board, and members of the finance committee may also attend audit entrance and exit interviews conducted by the auditor of state with authority staff.

d. The director may appoint ad hoc committees to serve in an advisory capacity to the authority whenever the director deems them necessary to accomplish the work of the authority. The size of such committees and the terms of committee members will be established by the director. Such committees may be dissolved as deemed appropriate by the director, and other committees may from time to time be established for specific purposes.

ITEM 4. Amend rule 261—1.4(15) as follows:

261—1.4(15) Department Authority structure.

1.4(1) General. ~~The department's authority's~~ organizational structure consists of the board, the director, deputy director, and four divisions and such divisions as the director may from time to time create.

1.4(2) Director. ~~The Iowa department of economic development authority is administered by a director who is appointed by the governor, subject to confirmation by the senate, and who serves at the pleasure of the governor and is subject to confirmation by the senate serves for a four-year term beginning and ending as provided in Iowa Code section 69.19. An appointment by the governor to fill a vacancy in the office of the director is for the balance of the unexpired four-year term. The director is the chief administrative officer of the department authority and in that capacity administers oversees the administration of the authority's programs and services of the department in, ensuring their compliance with applicable federal and state laws, rules, and regulations. The duties responsibilities of the director are as authorized described in Iowa Code section 45.106 15.106C and include preparing a budget subject to board approval, establishing an internal administrative structure and employing personnel, reviewing and submitting legislative proposals to the board legislative proposals, recommending rules to the board and ensuring their progression through the rule-making process, reporting to the board on grants and contracts awarded by the department authority, and other actions reasonably necessary to administer and direct the programs of the department authority.~~

~~The administrators of the four divisions and the deputy director report to the director.~~

1.4(3) Deputy director Chief designee. ~~The deputy director, appointed by the director, directs and administers the department may designate an employee to administer the authority in the director's absence. Such employee may bear the title of deputy director, chief operating officer, chief of staff, or other similar title as long as the director has executed an instrument clearly delegating the director's authority to that employee.~~

1.4(4) Divisions. ~~The director has established the following may from time to time reorganize the authority into administrative divisions within the department in order to most efficiently and effectively carry out the department's authority's responsibilities. This reorganization may include creating new divisions, eliminating existing divisions, or combining divisions as the director deems necessary. Such divisions may include, but are not limited to, the following:~~

- ~~1. a.~~ Administration division;
- ~~2. b.~~ Business development division;
- ~~c.~~ Energy division;
- ~~3. d.~~ Community development division; and
- ~~4. e.~~ Innovation and commercialization Small business division.

1.4(5) Attachment for administrative purposes; board support. ~~The Iowa department of economic development provides staff and employees of the authority provide office space and staff support to the city development board pursuant to Iowa Code sections 368.9 and 15.108(3) "a"(2). The department authority provides administrative support to the vision Iowa board pursuant to Iowa Code section 15F.104 and the renewable fuel infrastructure board pursuant to Iowa Code section 15G.202.~~

1.4(6) Advisory committees. ~~The director may appoint committees to serve in an advisory capacity to the department that are deemed necessary to accomplish the work of the department. The size of the committee and the terms of committee members will be established by the director. These committees may be dissolved as deemed appropriate by the director, and other committees may from time to time be established for specific purposes.~~

ITEM 5. Amend rule 261—1.5(15) as follows:

261—1.5(15) Information. The general public may obtain information about the Iowa ~~department~~ of economic development ~~authority~~ by contacting the ~~Iowa Department of Economic Development,~~ authority at its offices located at 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)242-4700; or through the ~~department's Web site at www.iowalifechanging.com~~ authority's Web site.

ITEM 6. Amend **261—Chapter 1**, implementation sentence, as follows:

These rules are intended to implement Iowa Code chapter 15 as ~~amended by 2009 Iowa Acts, Senate File 344, chapter 15G as amended by 2009 Iowa Acts, Senate File 344, and section 17A.3.~~

[Filed 10/22/12, effective 12/19/12]

[Published 11/14/12]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 11/14/12.